

OFFICE OF THE SECRETARY

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May 23, 2006

Magalie R. Salas Federal Energy Regulatory 888 First St. N.E., Room 1A Washington, DC 20426 ORIGINAL

REGULATORY COMMISSION

CP06-54-000

Dear Ms. Salas:

The Brooklyn Chamber of Commerce would like to express its support for the federal and state regulatory review of the Broadwater Energy Liquefied Natural Gas project.

This important project addresses many of the critical energy and economic development issues facing Brooklyn and the New York City metropolitan region.

As you can imagine, the cost of energy is vitally important to our 1,300 members, most of whom are small businesses that in recent years have had to cope with volatile energy prices that severely impact their bottom-line.

Here in Brooklyn, we face a unique geographic condition when it comes to the supply of natural gas. The New York City region's location at the end of the North American natural gas pipeline system means it is the last area to be served by the system and will continue to face escalating prices and potential shortages.

Local demand is not about to decline. It is estimated that more than 90 percent of the electrical generating capacity in New York City is fuelled with natural gas. Future power plant additions and facility expansions are also expected to use cleaner burning natural gas as fuel. Local population growth and healthy economic expansion create significant demand for more energy, especially for electricity generated with natural gas, throughout our area.

The Broadwater LNG project will provide greater energy security for our region and a much needed increase in natural gas supply that should help stabilize energy costs for businesses and residents. Furthermore, the project's proposed importation of LNG from foreign producers to the Northeast should serve to offset anticipated declines in the overall US and Canadian gas supplies.

Stable -- if not reduced -- energy costs have important implications for economic development and business expansion in Brooklyn and New York City. Reliable, affordable energy promotes new business attraction, a stronger real estate market and a more robust economic climate overall.

The New York region must expand its ability to meet its current and future energy needs. The Broadwater LNG project puts us on the path of opening our region to a new supply of natural gas, diversifying our energy options and possibly reducing natural gas prices. These developments would be a boon to Brooklyn's business community and to the continued economic development of our region.

Of course, it is imperative the Broadwater LNG project meet all applicable regulatory requirements at the local, state and federal levels, including those related to environmental and safety issues.

We encourage the positive review of this project as an important step toward addressing the New York metropolitan region's pressing need for an increased energy supply and stable prices. Thank you for your consideration of this very important project.

Sincerely,

Kenneth Adams President

Cc: Dan Holt Chairman